

FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, DC 20426

April 3, 2006

In Reply Refer To:
Docket Nos. EL05-142-000
and EL05-142-001

Paul, Hastings, Janofsky & Walker, L.L.P
Attn: William D. DeGrandis, Esquire
875 15th Street, N.W.
Washington, D.C. 20005

Dear Mr. DeGrandis:

1. On August 16, 2005, Ocean Peaking Power, L.L.C. (OPP) filed a complaint with the Commission alleging that Jersey Central Power and Light Company (JCPL) was improperly charging it local distribution rates for transmitting station power service. On October 17, 2005, the Commission set OPP's complaint for hearing, held the hearing in abeyance and established settlement judge procedures. *Ocean Peaking Power, L.L.C. v. Jersey Central Power and Light Co.*, 113 FERC ¶ 61,051 (2005). On November 16, 2005, requests for rehearing of the October 17 Order were filed by OPP and JCPL, respectively, in Docket No. EL05-142-001. The Commission issued an order granting rehearing for the limited purpose of further consideration.

2. On February 22, 2006, OPP, on behalf of itself and JCPL, filed a Stipulation and Agreement (Settlement Agreement) in the above-referenced proceeding. On March 14, 2006, Commission Trial Staff submitted comments in support of the Settlement Agreement. No other comments were received. On March 15, 2006, the presiding Administrative Law Judge (ALJ) certified the Settlement Agreement to the Commission as uncontested.

3. The Settlement Agreement is in the public interest and is hereby approved. The Commission directs JCPL to make refunds consistent with the terms and provisions of the Settlement Agreement. Further, the Settlement Agreement provides for certain post-settlement payments to be made. Because these payments will continue beyond the settlement period, tariff sheets reflecting such payments should have been filed with the Commission. No tariff sheets were filed with the Settlement Agreement. Therefore, the Settlement Agreement does not comply with Designation of Electric Rate Schedule

Sheets, Order No. 614, FERC Stats. & Regs., Regulations Preambles July 1996 – December 2000 ¶ 31,096 (2000). JCPL is required to file rate schedule sheets in conformance with Order No. 614 within 30 days of this order approving the settlement. The Commission's approval of this settlement does not constitute approval of, or precedent regarding, any principle or issue in this proceeding. The Parties to the Settlement Agreement have agreed that the Settlement Agreement is subject to the just and reasonable standard of review.

4. Because the Settlement Agreement resolves all contested issues in this proceeding, we deem the requests for rehearing of the October 17 Order in the captioned docket to be withdrawn.

5. This letter terminates Docket Nos. EL05-142-000 and EL05-142-001.

By direction of the Commission.

Magalie R. Salas,
Secretary.

cc: All Parties